

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 850**  
**97TH GENERAL ASSEMBLY**

2051L.02C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To amend chapter 620, RSMo, by adding thereto one new section relating to the bring jobs home act.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be  
2 known as section 620.2425, to read as follows:

**620.2425. 1. This section shall be known and may be cited as the "Bring Jobs  
2 Home Act".**

3 **2. As used in this section, the following terms shall mean:**

4 **(1) "Business unit":**

5 **(a) Any trade or business; and**

6 **(b) Any line of business, or functional unit, which is part of any trade or business;**

7 **(2) "Eligible expenses":**

8 **(a) Any amount for which a deduction is allowed to the taxpayer under Section 162  
9 of the Internal Revenue Code of 1986, as amended; and**

10 **(b) Permit and license fees, lease brokerage fees, equipment installation costs and  
11 other similar expenses.**

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13 **Such term does not include any compensation which is paid or incurred in connection with  
14 severance from employment and any similar amount;**

15 **(3) "Eligible insourcing expenses":**

16 **(a) Eligible expenses paid or incurred by the taxpayer in connection with the  
17 elimination of any business unit of the taxpayer (or of any member of any expanded**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 affiliated group in which the taxpayer is also a member) located outside the state of  
19 Missouri; and

20 (b) Eligible expenses paid or incurred by the taxpayer in connection with the  
21 establishment of any business unit of the taxpayer (or of any member of any expanded  
22 affiliated group in which the taxpayer is also a member) located within the state of  
23 Missouri

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25 if such establishment constitutes the relocation of business unit so eliminated. For  
26 purposes of this subdivision, a relocation shall not be treated as failing to occur merely  
27 because such elimination occurs in a different taxable year than such establishment;

28 (4) "Expanded affiliated group", an affiliated group as defined in Section 1504(a)  
29 of the Internal Revenue Code of 1986, as amended, determined without regard to Section  
30 1504(b)(3) of the Internal Revenue Code of 1986, as amended, and by substituting more  
31 than fifty percent for at least eighty percent each place it appears in Section 1504(a) of the  
32 Internal Revenue Code of 1986, as amended. A partnership or any other entity (other than  
33 a corporation) shall be treated as a member of an expanded affiliated group if such entity  
34 is controlled by members of such group (including any entity treated as a member of such  
35 group by reason of this subdivision);

36 (5) "Expenses shall be under insourcing plan", amounts that shall be taken into  
37 account under subdivision (3) of this subsection only to the extent that such amounts are  
38 paid or incurred under a written plan to carry out the relocation described in subdivision  
39 (3) of this subdivision;

40 (6) "Taxpayer", any person, firm, partnership, trust, estate, limited liability  
41 company, or corporation.

42 3. The insourcing expenses deduction for any taxable year is an amount equal to  
43 twenty percent of the eligible insourcing expenses of the taxpayer which are taken into  
44 account in such taxable year under subsection 5 of this section.

45 4. No deduction shall be allowed under this section unless the number of full-time  
46 equivalent employees of the taxpayer for the taxable year for which the deduction is  
47 claimed exceeds the number of full-time equivalent employees of the taxpayer for the last  
48 taxable year ending before the first taxable year in which such eligible insourcing expenses  
49 were paid or incurred. For purposes of this subsection, full-time equivalent employees has  
50 the meaning given such term under Section 45R(d) of the Internal Revenue Code of 1986,  
51 as amended, (and the applicable rules of Section 45R(e) of the Internal Revenue Code of  
52 1986, as amended), determined by only taking into account wages (as otherwise defined in

53 Section 45R(e) of the Internal Revenue Code of 1986, as amended), paid with respect to  
54 services performed within Missouri.

55 5. (1) Except as provided in subdivision (2) of this subsection, eligible insourcing  
56 expenses shall be taken into account in the taxable year during which the plan described  
57 in subdivision (5) of subsection 2 of this section has been completed and all eligible  
58 insourcing expenses under such plan have been paid or incurred.

59 (2) If the taxpayer elects the application of this subdivision, eligible insourcing  
60 expenses shall be taken into account in the first taxable year after the taxable year  
61 described in subdivision (1) of this subsection.

62 6. Notwithstanding any provision of law, no deduction shall be allowed for any  
63 expenses incurred when dissolving a business unit in Missouri and relocating such business  
64 unit to another state.

65 7. The department of economic development and the department of revenue shall  
66 promulgate rules to implement the provisions of this section. Any rule or portion of a rule,  
67 as that term is defined in section 536.010, that is created under the authority delegated in  
68 this section shall become effective only if it complies with and is subject to all of the  
69 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536  
70 are nonseverable and if any of the powers vested with the general assembly pursuant to  
71 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
72 subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
73 proposed or adopted after August 28, 2013, shall be invalid and void.

74 8. Under section 23.253 of the Missouri sunset act:

75 (1) The provisions of the new program authorized under this section shall  
76 automatically sunset six years after the effective date, unless reauthorized by an act of the  
77 general assembly; and

78 (2) If such program is reauthorized, the program authorized under this section  
79 shall automatically sunset twelve years after the effective date of the reauthorization of this  
80 section; and

81 (3) This section shall terminate on December thirty-first of the calendar year  
82 immediately following the calendar year in which the program authorized under this  
83 section is sunset.

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